GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:1604
ANSWERED ON:01.08.2001
SPECIAL CATEGORY STATUS TO ORISSA
BHARTRUHARI MAHTAB

Will the Minister of PLANNING be pleased to state:

(a) whether the Government have received several representations from that State Government for declaring special category status to Orissa;

(b) if so, the details thereof; and

(c) the steps taken by the Planning Commission in this regard ?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE IN THE MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a): Yes, Sir.

(b): Such requests have been received since 1991 on the plea of low level of development, poverty, acute unemployment problem, fiscal imbalance of the State Government, natural calamities and preponderance of SC/ST population in the State.

The main criteria for declaring a State as a Special Category State are:

(i) hilly and difficult terrain,
(ii) low population density;
(iii) weak resources base and
(iv) overall economic and infrastructural backwardness. These States are strategically situated along international borders of the country, have sizeable tribal population and most of them have been formed from small Union Territories or districts of some other States. Orissa does not satisfy the criteria listed above.

(c): To help States like Orissa, the criteria for declaring a State as a Special Category State has to be modified. The revision of the Gadgil Formula for allocation of Central Assistance, change in the loan-grant ratio in respect of Central Assistance to State Plans and change in the criteria for classification of Special Category states were considered in the meeting of Planning Commission chaired by Hon'ble Prime Minister on 27th and 29th June, 2001. It was felt that, given the difference of opinion among State governments and the sensitivity of this issue, it was necessary to discuss this further and evolve a consensus before alternatives are considered by the NDC. It was agreed, therefore, that this would be taken up separately.